

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF NORTH DAKOTA  
SOUTHWESTERN DIVISION**

SAFWAY SERVICES, LLC,  
a Delaware corporation,

Plaintiff,

v.

ACTION EQUIPMENT & SCAFFOLD CO.  
LLC, f/k/a WACO SCAFFOLDING &  
EQUIPMENT COMPANY, LLC, a North  
Dakota limited liability company, and  
ACTION COLORADO, INC., d/b/a WACO  
SCAFFOLDING AND EQUIPMENT  
COMPANY, an Arizona corporation,

Defendants.

Civil No. \_\_\_\_\_

**COMPLAINT AND JURY  
DEMAND**

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Safway Services, LLC (“Safway”) for its Complaint against Defendants Action Equipment & Scaffold Co. LLC, f/k/a Waco Scaffolding & Equipment Company, LLC and Action Colorado, Inc., d/b/a Waco Scaffolding and Equipment Company (collectively, “Action”), states and alleges as follows:

**THE PARTIES**

1. Safway is a Delaware corporation with its principal place of business located at N19 W24200 Riverwood Drive, Waukesha, Wisconsin 53188. Safway manufactures and sells scaffolding products and related services and equipment.

2. Action Equipment & Scaffold Co. LLC is a North Dakota limited liability company with its principal place of business at 4131 Hagen Ave., Bismarck, North Dakota, 58504. Action Equipment & Scaffold Co. LLC sells and rents scaffolding and related equipment in Bismarck, North Dakota.

3. On information and belief, Action Colorado, Inc. is an Arizona corporation with its principal place of business located at 2229 South 16<sup>th</sup> Street, Phoenix, AZ 85034. Action Colorado, Inc. sells and rents scaffolding and related equipment under the name “Waco Scaffolding & Equipment Co.”

4. On information and belief, Action Colorado, Inc. owns or is otherwise affiliated with Action Equipment & Scaffold Co. LLC.

### **JURISDICTION AND VENUE**

5. This is a straight-forward case for trademark infringement, breach of contract, and unfair competition in violation of the trademark laws of the United States, 15 U.S.C. § 1114 *et seq.*, and the common law.

6. The Court has subject matter jurisdiction under 28 U.S.C. §§ 1338 (a) and (b) and 1367.

7. Venue is proper under 28 U.S.C. § 1391(b) and (c).

8. The Court has personal jurisdiction over Action because both entities are transacting business in the state of North Dakota, and their actions in this state give rise to the claims in this lawsuit. Furthermore, both entities consented to jurisdiction in North Dakota in a March 24, 2015 Settlement Agreement and Release concluding prior litigation between the parties.

### **SAFWAY’S TRADEMARK RIGHTS**

9. Safway owns U.S. Trademark Registration No. 0,510,607 for the mark WACO® for use with interior and exterior scaffolds in International Class 6 (the “Registration”). A copy of the Registration is attached as **Exhibit A**. The Registration was issued by the United States

Patent and Trademark Office over sixty-five years ago. The mark has been in continuous use since that time, and the Registration is incontestable.

10. In 2011, Safway acquired the Registration and the goodwill associated with the WACO® trademark from Waco International Corporation as part of an asset purchase in bankruptcy. Safway also has common law rights in the WACO® trademark based on its use of the mark in interstate commerce.

11. The WACO® trademark has symbolized premium scaffolding used by top contractors and industry professionals since at least 1945.

12. Safway sells and rents WACO® brand scaffolding throughout the United States, including in Bismarck, North Dakota.

13. Because of the long-standing use of the WACO® trademark by Safway and its predecessors and the substantial investment Safway has made in the mark, the WACO® trademark is a valuable asset that represents substantial good will.

#### **DEFENDANTS' WRONGFUL CONDUCT**

14. In early 2015, Action began marketing and selling scaffolding in North Dakota under the WACO trademark. Action's Bismarck location is less than ten miles away from a Safway location that sells WACO® branded products.

15. Safway informed Action of the Registration and its prior rights in the WACO® mark. Safway demanded that Action refrain from using the WACO® mark in connection with scaffolding products and services in North Dakota.

16. When Action refused to comply, Safway filed Case No. 15-cv-09 in this Court asserting claims for trademark infringement and unfair competition. The parties entered into a Settlement Agreement and Release on March 24, 2015 ("Agreement").

17. Under the Agreement, Action promised, among other things, to cease all use of the mark in North Dakota.

18. Action has wrongfully resumed use of the WACO trademark in North Dakota in blatant disregard for the Agreement and for Safway's trademark rights.

19. In late November 2015, Action sent a brochure to customers in North Dakota that makes prominent use of the WACO trademark. The first page of the brochure appears below.



**EQUIPMENT &  
SCAFFOLD CO., INC.**

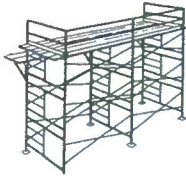
**WACO**  
SCAFFOLDING & EQUIPMENT CO.

## HIGH REACH SPECIALIST FOR CONSTRUCTION AND INDUSTRIAL TRADES

SALES • RENTALS • ERECTION • SERVICE • DELIVERY • QUALITY  
EXPERIENCED • COMPETITIVE • SAFETY TRAINING

### SCAFFOLD

Masonry



Plaster



Shoring



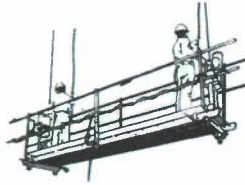
Systems



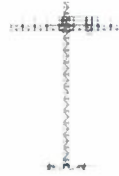
Aluminum



Suspending Swing



Mast Climbers



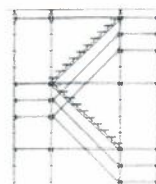
Sidewalk Canopy



Rolling Towers



Internal Stairway



Tube Lock & Clamp



### EQUIPMENT

Concrete & Grout Pumps • Plaster Pumps • Cement & Plaster Mixers  
Hose & Fitting • Pump & Mixer Parts and Service • Masonry & Concrete Saws



#### PHOENIX

2229 S. 16th St. • Phoenix, AZ 85034  
(602) 252-3417 • Fax (602) 252-3490

#### TUCSON

(520) 748-8444 • Fax (520) 748-8455  
3702 E. 37th St. • Tucson, AZ 85713

#### DENVER

(303) 297-WACO (9226) • Fax (303) 297-3730  
121 E. 58th Ave. • Denver, CO 80216

#### COLORADO SPRINGS

(719) 528-8484 • Fax (719) 528-1768  
3345 Drennan Industrial Loop South  
Colorado Springs, CO 80910

#### NORTH DAKOTA

(701) 426-4256  
1940 S. Broadway #113 • Minot, ND 58701

**WACO**  
SCAFFOLDING & EQUIPMENT CO.

[www.actionscaffold.com](http://www.actionscaffold.com) • [www.wacoscaffoldingCO.com](http://www.wacoscaffoldingCO.com) • [www.wacoscaffoldingND.com](http://www.wacoscaffoldingND.com)

20. The brochure references Action's business in North Dakota, and uses the WACO trademark prominently. In addition to use of the WACO logo at the top and bottom of the brochure, the brochure references a website with the domain address [www.wacoscaffoldingND.com](http://www.wacoscaffoldingND.com).

21. Action is also using the WACO trademark in the signature block in correspondence, as shown below.



**Action Equipment & Scaffold Co.**  
4131 Hagen Avenue  
Bismarck, ND 58504

Office 701-751-7677  
Fax 701-754-7679  
Cell 701-204-8672  
[craig.richardson@actionscaffold.com](mailto:craig.richardson@actionscaffold.com)

22. Action's use of the WACO trademark in North Dakota is a clear and willful breach of the Agreement it signed only eight months ago.

23. Action's use of the WACO trademark in North Dakota has also created a situation where confusion is inevitable, with two companies using the identical trademark to sell competing scaffolding products less than ten miles from each other.

24. Action was aware of the Registration and Safway's prior rights in the WACO® mark when Action resumed using the WACO trademark to sell scaffolding in competition with Safway.

25. Action's willful use of the WACO® mark in North Dakota is certain to cause confusion concerning the source, sponsorship or affiliation between Safway and Action and the parties' respective products and services.



26. Action's use of the WACO® mark is without consent, permission, or license from Safway.

27. Safway is being irreparably harmed by Action's unauthorized use of the WACO® trademark, and will continue to suffer irreparable harm until the Court forces Action to cease the infringement.

28. Safway has been damaged by Action's conduct in an amount to be proven at trial.

29. The foregoing allegations are incorporated in the claims below.

**COUNT ONE**  
**Breach of Contract**

30. Safway restates and realleges each of the allegations set forth in the preceding paragraphs as if fully set forth herein.

31. Safway and Action entered into the Agreement on March 24, 2015.

32. Under the Agreement, Action agreed, *inter alia*, to stop using the WACO trademark in North Dakota.

33. Action has not stopped using the WACO trademark in North Dakota as required under the Agreement.

34. Action's conduct is causing, and will continue to cause, irreparable harm to Safway until it is enjoined by this Court.

35. Safway has suffered damages as a result of Action's conduct in an amount to be proven at trial.

**COUNT TWO**  
**Trademark Infringement**

36. Safway restates and realleges each of the allegations set forth in the preceding paragraphs as if fully set forth herein.

37. Safway owns the Registration and has common law rights in the WACO® mark.

38. Action's unauthorized use of the WACO® mark in connection with scaffolding products and services in North Dakota is likely to cause confusion as to the affiliation, connection, or association between Action and Safway and the parties' respective products.

39. Action's use of the WACO® mark infringes Safway's trademark rights.

40. Action acted deliberately and willfully in an attempt to trade upon the goodwill associated with Safway's WACO® trademark.

41. Action's conduct is causing, and will continue to cause, irreparable harm to Safway unless and until it is enjoined by this Court.

42. Safway has suffered damages as a result of Action's actions in an amount to be proven at trial.

**COUNT THREE**  
**Unfair Competition**

43. Safway restates and realleges each of the allegations set forth in the preceding paragraphs as if fully set forth herein.

44. Action's conduct constitutes unfair competition.

45. Safway has been damaged as a result of Action's unfair competition in an amount to be proven at trial.

**JURY DEMAND**

46. Safway demands a jury trial for all issues so triable.

**WHEREFORE**, Safway asks the Court to:

1. Enter judgment against Action, in an amount to be determined at trial;
2. Preliminarily and permanently enjoin Action from using the WACO® mark in connection with scaffolding products or services in North Dakota;
3. Find that Action's infringement is willful and award Safway enhanced damages;



4. Award Safway the attorney's fees and costs incurred in this action; and
5. Grant any other relief the Court deems just and equitable.

Dated: December 8, 2015

/s/ Danielle M. Krause

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Danielle M. Krause (#06874)  
FREDRIKSON & BYRON, P.A.  
1133 College Drive, Suite 1000  
Bismarck, North Dakota 58501  
(701) 221-8700 (tel.)  
(701) 221-8750 (fax)  
dkrause@fredlaw.com

*Of Counsel*

Lora M. Friedemann (MN #259615)  
FREDRIKSON & BYRON, P.A.  
200 South Sixth Street, Suite 4000  
Minneapolis, Minnesota 55402-1425  
(612) 492-7000 (tel.)  
(612) 492-7077 (fax)  
lfriedemann@fredlaw.com

***Attorneys for Safway Services, LLC***

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